

EDMUND D. CAMPBELL *
THOMAS SEARING JACKSON +
JAQUELIN AMBLER MARSHALL
H. DONALD KISTLER
BENJAMIN W. DULANY *
KENNETH WELLS PARKINSON
DANIEL WEBSTER COON +
THOMAS PENFIELD JACKSON +
ARTHUR C. ELGIN, JR. +
JAMES P. SCHALLER *
ROGER V. BARTH +
JAMES E. BRAMMER
PATRICIA D. GURNE
NICHOLAS STILLWELL MCCONNELL + *
ALAN R. SWENDIMAN +
PATRICK L. WOODWARD +
JAMES R. MICHAL
CLIFFORD A. WILPON +
DAWN V. WHITE +
DAVID H. COX *

+ ALSO ADMITTED IN MARYLAND
* ALSO ADMITTED IN VIRGINIA

LAW OFFICES
JACKSON, CAMPBELL & PARKINSON, P.C.
RECORDATION NO. 9048
ONE LAFAYETTE CENTRE
SUITE 300 S
1120 20TH STREET, N.W.
WASHINGTON, INTERSTATE COMMERCE COMMISSION
(202) 457-1600

November 24, 1980

MARYLAND OFFICE
414 HUNGERFORD DRIVE
ROCKVILLE, MARYLAND 20850
(301) 340-0450

VIRGINIA OFFICE
2000 N. 16TH STREET
ARLINGTON, VIRGINIA 22201
(703) 522-1330

ROGER H. MUZZALL
COUNSEL

DIRECT DIAL NUMBER

457-1634

No. 4115
Date NOV 24 1980
Fee \$ 10.01
ICC Washington, D. C.

Ms. Agatha L. Mergenovich
Office of the Secretary
Recordation Office
Interstate Commerce Commission
12th Street and Constitution Avenue, N.W.
Washington, D.C. 20423

Re: Citicorp Leasing, Inc. and Rex
Railways, Inc.; Recordation File
No. 9048.

Dear Ms. Mergenovich:

In accordance with the provisions of Section 11303 of the Revised Interstate Commerce Act, 49 U.S.C. § 11303, and Part 1116 of Title 49 of the Code of Federal Regulations, I request, as special counsel for Citicorp Leasing, Inc., that the enclosed document be recorded and filed by the Interstate Commerce Commission in Recordation File No. 9048.

You will find enclosed herewith an original and two certified copies of a document entitled "Amended Consent and Agreement", dated as of October 31, 1980, by and between Citicorp Leasing, Inc., and Rex Railways, Inc., which is intended to effectuate an extension of the default date set forth in Paragraph Two of the original Consent and Agreement, dated May 9, 1980, a copy of which is attached to this Amended Consent and Agreement and made a part hereof as Exhibit B. This Amended Consent and Agreement relates to 299 railroad boxcars bearing the following road numbers: 100947-100996, inclusive, 101093, and 101094, 101096-101099, inclusive, 101400-101493, inclusive, 101900-101999, inclusive, 102200-102202, inclusive, 102204-102249, inclusive.

The parties to this Amended Consent and Agreement are:

Citicorp Leasing, Inc.
Attention: Mr. J. Catherwood
Vice President
399 Park Avenue
New York, New York 10043

Cipriani - David H. Cox

Ms. Agatha L. Mergenovich
November 24, 1980
Page two

RECORDATION NO. Filed 1980
NOV 24 1980 3 19 PM
INTERSTATE COMMERCE COMMISSION

and

Rex Railways, Inc.
Attention: Mark A. Salitan
Executive Vice President
616 Palisade Avenue
Englewood Cliffs, New Jersey 07632

From my review of the documents contained in Recordation File No. 9048, this document should be assigned Recordation No. 9048-F. Would you please stamp, as filed, and return the enclosed copy to my office at your earliest convenience?

If you have any questions in this regard, please do not hesitate to contact me.

Sincerely yours,

JACKSON, CAMPBELL & PARKINSON, P.C.

By: David H. Cox
David H. Cox

DHC/lg

Enclosures As Stated.

cc: Karen J. Kirchen, Esquire

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

David H. Cox
Jackson, Campbell & Parkinson, P. C.
One Lafayette Centre
1120 20th St. N. W.
Washington, D. C. 20036

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 11/24/80 at 3:10PM, and assigned re-recording number(s). 9048-F

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

AMENDED
CONSENT AND AGREEMENT

RECORDATION NO. 9048-F
NOV 24 1980-3 10 PM
INTERSTATE COMMERCE COMMISSION
Filed 1425

WHEREAS, Citicorp Leasing, Inc. ("CLI") has made three loans to Rex Railways, Inc. ("Rex"), each evidenced by a promissory note, dated October 25, 1977, December 30, 1977, and March 1, 1978, respectively, in the original principal amounts of \$1,360,000.00, \$4,080,000.00 and \$2,720,000.00, respectively, (the "Notes"), to finance the purchase of certain railroad boxcars (the "Equipment"); and

WHEREAS, as security for the Notes and pursuant to a Security Agreement, Chattel Mortgage and Assignment of Lease Agreement dated as of September 27, 1977 (the "Agreement") Rex has granted to CLI a security interest in the Equipment and assigned to CLI a lease of the Equipment between Rex, as lessor, and National Railways Utilization Corp. and the Pickens Railroad Co., as lessees (the "Lessees") dated September 19, 1977 (the "Lease"); and

WHEREAS, the Lessees have been called in default pursuant to the Lease, having not performed pursuant to the terms of the Lease; and

WHEREAS, the Lessees have consummated a non-judicial arrangement of their debts; and

WHEREAS, pursuant to their non-judicial arrangement plan, the Lessees have agreed to assist in returning the Equipment to Rex in exchange for a termination of the Lease and a release by Rex of all liability of the Lessees under the Lease as set

forth in the Lease Termination Agreement substantially in the form of Exhibit A hereto (the "Termination Agreement"); and

WHEREAS, a default by the Lessees under the Lease is an event of default pursuant to the Agreement, subject to certain cure rights by Rex; and

WHEREAS, Rex desires that CLI refrain from declaring an event of default pursuant to the Agreement; and

WHEREAS, a Consent and Agreement substantially in the form hereof except for the default date set forth in paragraph 2 hereof was executed by the parties hereto on May 9, 1980 which original Consent and Agreement is attached hereto as Exhibit B; and

WHEREAS, said default date has been twice extended pursuant to letter amendments to the original Consent and Agreement, which letter amendments are attached hereto as Exhibit C; and

WHEREAS, the parties hereto desire to further extend said default date as provided herein; and

WHEREAS, the parties hereto desire to incorporate the original Consent and Agreement and the amendments thereto in this document in form suitable for filing with the Interstate Commerce Commission.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration each to the other given, receipt whereof is hereby expressly acknowledged, it is agreed between the parties hereto as follows:

1. CIC consents to Rex entering into the Termination Agreement with the Lessees.

2. Notwithstanding CLI's consent contained herein, the parties hereto agree that the termination of the Lease shall constitute an event of default pursuant to the Agreement, at CLI's option, at any time after November 30, 1980, upon ten days written notice to Rex, unless Rex has obtained a lease or leases for the Equipment, with lessees acceptable to CLI, for terms acceptable to CLI and with rental payments aggregating an amount sufficient to make monthly principal and interest payments due on the Notes, and provided further that such new leases are assigned to CLI as collateral security for the Notes and that no such lessee is in default pursuant to such new lease.

3. To the extent that this Amended Consent and Agreement contains terms that are inconsistent with the terms of the Agreement, the terms of this amended Consent and Agreement shall control, and this Amended Consent and Agreement shall modify and amend the Agreement.

4. Rex agrees that at the request of CLI, it shall take such action and make such filings, with the Interstate Commerce Commission or otherwise, in order to preserve and protect the rights of CLI hereunder and under the Agreement.

5. This Amended Consent and Agreement shall be binding upon and inure to the benefit of CLI, Rex, their respective administrators, assigns, successors, officers, directors, trustees, agents and/or representatives.

6. This Amended Consent and Agreement may not be changed, amended, modified, or altered except in writing, executed by the parties hereto.

7. This Amended Consent and Agreement may be executed by the parties in counterpart originals with the same force and effect as if fully and simultaneously executed in a single original document.

IN WITNESS WHEREOF, the parties have duly executed this instrument this 31st day of October, 1980.

CITICORP LEASING, INC.

By J. Catherwood

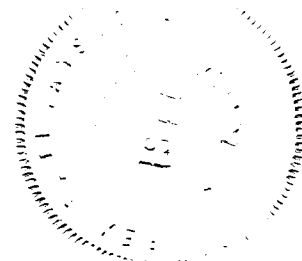
REX RAILWAYS. INC.

By James J. Salitan, Et. V. R.

ACKNOWLEDGED, AGREED
AND CONSENTED TO BY GUARANTOR

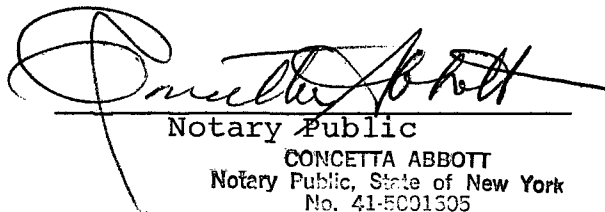
REX NORECO, INC.

By James J. Salitan, Pres.



STATE OF NEW YORK)
 : ss.:
COUNTY OF NEW YORK)

On this 31st day of OCTOBER, 1980, before me personally appeared J. CATHERWOOD to me personally known, who, being by me duly sworn, says that he is a VP of Citicorp Leasing, Inc., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

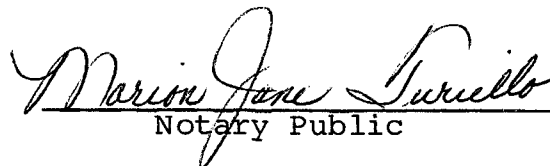
CONCETTA ABBOTT
Notary Public, State of New York
No. 41-5091305
Qualified in Queens County
Certificate filed in New York County
Commission Expires March 30, 1982

(Notarial Seal)

My commission expires: March 30, 1982

STATE OF NEW ~~YORK~~ ^{JERSEY})
 : ss.:
COUNTY OF ~~NEW YORK~~ ^{BERGEN})

On this 31st day of October, before me personally appeared MARK A. SALTON to me personally known, who, being by me duly sworn, says that he is a Ex V.P. of Rex Railways, Inc., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

(Notarial Seal)

My commission expires: Aug 2, 1983

MARION JANE TURIELLO
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Aug. 2, 1983

COUNTY OF NEW YORK)

Mario J. DiBiello
Notary Public

(Notarial Seal)

My Commission expires: Aug 2, 1983

MARION JANE TURIELLO
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Aug. 2, 1983

EXHIBIT A

LEASE TERMINATION AGREEMENT

AGREEMENT made as of the 1st day of April, 1980, by and between REX RAILWAYS, INC., a New Jersey corporation (hereinafter referred to as "Lessor"), and THE PICKENS RAILROAD CO. and NATIONAL RAILWAY UTILIZATION CORPORATION, South Carolina corporations (hereinafter collectively referred to as "Lessee").

W I T N E S S E T H

WHEREAS, on September 19, 1977, Lessor executed a lease (the "Lease") with Lessee for a term of fifteen (15) years relating to three hundred (300) railroad boxcars designated NSL - 101900-101999 inclusive, 101400-101493 inclusive, 101947-100996 inclusive, 101096-101099 inclusive, 102200-102249 inclusive, 101093, 101094.

WHEREAS, subsequent to September 19, 1977, one of the aforesaid railroad boxcars, which was designated NSL-102203 was destroyed, leaving two hundred ninety-nine (299) railroad boxcars subject to the terms of the Lease (hereinafter sometimes collectively referred to as the "Boxcars");

WHEREAS, at a meeting held in Philadelphia, Pennsylvania on April 3, 1980, Lessee indicated that it (i) was unable to meet its obligations under the terms of the Lease; (ii) desired to terminate all of its obligations thereunder;

and (iii) would endeavor to return the Boxcars to Lessor at the earliest possible date after execution of an agreement terminating the Lease;

WHEREAS, Lessor is willing to consent to the termination of the Lease, but only upon the terms, covenants and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and of other good and valuable consideration each to the other given, receipt whereof is hereby expressly acknowledged, it is agreed between the parties hereto as follows:

1. Lessor and Lessee hereby terminate and surrender the Lease and, upon execution of this Agreement, said parties shall be fully and unconditionally released and discharged from all obligations arising from or connected with the provisions of the Lease.

2. Lessee shall take all steps necessary to secure the return of each of the Boxcars to Lessor as provided below.

3. Immediately after, and subject to, the approval by the Interstate Commerce Commission, Lessee shall issue and distribute to Lessor 44,850 shares of Lessee's common stock.

4. Lessee will, immediately upon the execution of this Agreement, cause the owner of the marks borne by the Boxcars to issue instructions necessary to cause Boxcars in service (the "Service Boxcars") to be returned forthwith to

the home railroad without incurring freight charges, or, if Lessor thereafter so requests and Lessee is able to comply with such request without incurring freight charges in connection therewith, to the location specified by Lessor. Lessee shall be exclusively responsible for the delivery of the Service Boxcars to Lessor acceptable for "interchange service" as provided in the interchange rules governing hire, use, condition, repair and other matters adopted and in effect from time to time by the Association of American Railroads or any other organization, association, agency, or governmental authority, which may from time to time be responsible for or have authority to impose such codes, rules, interpretations, laws or orders, except for those cars damaged or destroyed while in service. Such cars will be directed to repair facilities or home road at Lessor's request and cost.


5. If subsequent to April 1, 1980 Lessee receives any car-hire revenues in connection with any of the Service Boxcars, then all such revenues shall be disbursed quarterly to and be the sole and exclusive property of Lessor. Lessee shall be entitled as a management fee to the sum of \$3.00 per day per car commencing with April 1, 1980 for which any Service Boxcar earns car-hire charges. All repairs on and after April 1, 1980 are for the account of Lessor.

6. Immediately upon receipt of instructions from Lessor, Lessee shall instruct the owners of all facilities

in which any of the Boxcars is being stored to ship such Boxcars in accordance with instructions received by Lessee from Lessor. Any freight charges incurred in connection therewith shall be for the account of Lessor except that any freight charges imposed by the St. Lawrence Railroad shall be for the account of Lessee. However, any division sharing with other railroads with respect to the St. Lawrence Railroad, if applicable, will be the property of Lessee. Immediately upon the receipt of instructions from Lessor, which shall be given on or before May 31, 1980, Lessee shall ship Boxcars then stored on the St. Lawrence Railroad or other storage facilities owned by or under the control of Lessee or any of its affiliates ("Lessee-Stored Cars"), in accordance with instructions received by Lessee from Lessor. Boxcars that are thereafter referred to the home road shall, upon receipt of instructions by Lessee from Lessor, be shipped in accordance with such instructions. Any freight charges incurred in connection therewith shall be for the account of Lessor, except that any freight charges imposed by the St. Lawrence Railroad shall be for the account of Lessee. Immediately upon execution of this Agreement, Lessee shall notify the owners of all facilities in which Boxcars are being repaired that all future instructions concerning the disposition or repair of such Boxcars shall be accepted from, and that payment therefor is to come from, Lessor. Lessee hereby covenants and agrees to pay to Lessor

immediately upon receipt all amounts payable or paid by foreign railroads for repairs that are the responsibility of such foreign railroads under Association of American Railroads' rules or insurance coverage under policies on the Boxcars. Lessee agrees to provide Lessor to the best of its ability after receipt, all pertinent information and documentation regarding any defect to which a Boxcar is subject, including without limitation, defect cards and joint inspection certificates. In connection therewith, Lessee agrees to take all action, including but not limited to, using its best efforts to obtain such documentation and the execution of any documents, Lessor deems necessary to secure the release and return of such Boxcars.

7. Any car hire revenues received by Lessee in accordance with paragraph "5", supra, and/or amounts paid by foreign railroads to Lessee for repairs in accordance with paragraph "6", supra, pending its disbursement to Lessor, shall immediately upon receipt, be deposited by Lessee in an interest bearing savings account or certificate of time deposit issued by any depository insured by the Federal Deposit Insurance Corporation. Such amounts may be commingled with car hire revenues or proceeds from foreign railroads held by Lessee for the benefit of other lessors and shall be deemed trust funds held for the sale and exclusive benefit of such lessors (including Lessor), but may not be

commingled with funds belonging to Lessee or any affiliate or subsidiary thereof. Any interest accruing in connection therewith shall inure to the benefit of Lessee. 


8. Lessor shall be responsible for the payment of (i) all storage charges incurred after April 1, 1980 for Boxcars stored in storage facilities not owned by Lessee; and (ii) storage charges incurred after May 31, 1980 for Boxcars in storage facilities owned by Lessee in the amount of \$8.00 per day for each such stored Boxcar. In connection therewith, it is expressly understood that Boxcars located in storage facilities owned by Lessee may continue in storage without charge to Lessor up to and including May 31, 1980. Provided, however, that no storage charges shall be payable by Lessor with respect to storage on the St. Lawrence Railroad or any other storage facilities owned or controlled by Lessee or any affiliate thereof for any period after Lessor has given a blanket disposition order (in the case of Service Cars) or for any period after May 31, 1980 if Lessor has given a disposition order on or before May 31, 1980 (in the case of Lessee-Stored Cars).


9. This Agreement shall be binding upon and inure to the benefit of Lessor, Lessee, their respective administrators, assigns, successors, officers, directors, trustees, agents and/or representatives.

10. This Agreement may not be changed, amended,

modified or altered except in writing, executed by the parties hereto.

11. This Agreement may be executed by the parties in counterpart originals with the same force and effect as if fully and simultaneously executed in a single original document.

12. Immediately upon the execution of this Agreement, Lessee will provide Lessor with copies of all registrations and reports submitted to the American Association of Railroads and/or all governmental agencies responsible for the regulation of railroads and boxcars, and all drawings, specifications, and specialty lists which are in Lessee's possession used in the constructions of the Boxcars. 

13. Lessee shall provide Lessor with copies of all lease termination agreements ("Other Termination Agreements") at its sole and exclusive choice and option, Lessor shall have any and all rights, powers and privileges granted, provided, or made available to any other lessor in any Other Lease Termination Agreements, and may, at its sole option, require Lessee to perform for its benefit any agreement made for the benefit of any such other lessor, the intent of this requirement being, and Lessee does hereby agree, that Lessor shall receive treatment as favorable as that accorded to any other lessor in any Other Lease Termination Agreement.
ELECTING ALTERNATIVE ONE UNDER THE PLAN PROPOSED AT THE APRIL 2, 1990 MEETING 

IN WITNESS WHEREOF, the parties have duly executed
this instrument this 9th day of May, 1980.

THE PICKENS RAILROAD CO.

By: *[Signature]*
Wm. H. Hester

NATIONAL RAILWAY UTILIZATION
CORPORATION

By: *[Signature]*
Hester

REX RAILWAYS, INC.

By: *[Signature]*, Ex. V.P.

EXHIBIT B

CONSENT AND AGREEMENT

WHEREAS, Citicorp Leasing, Inc. ("CLI") has made three loans to Rex Railways, Inc. ("Rex"), each evidenced by a promissory note, dated October 25, 1977, December 30, 1977, and March 1, 1978, respectively, in the original principal amounts of \$1,360,000.00, \$4,080,000.00 and \$2,720,000.00, respectively, (the "Notes"), to finance the purchase of certain railroad boxcars (the "Equipment"); and

WHEREAS, as security for the Notes and pursuant to a Security Agreement, Chattel Mortgage and Assignment of Lease Agreement dated as of September 27, 1977 (the "Agreement") Rex has granted to CLI a security interest in the Equipment and assigned to CLI a lease of the Equipment between Rex, as lessor, and National Railways Utilization Corp. and the Pickens Railroad Co., as lessees (the "Lessees") dated September 19, 1977 (the "Lease"); and

WHEREAS, the Lessees are in default pursuant to the Lease and have announced their intention not to perform pursuant to the terms of the Lease; and

WHEREAS, the Lessees have proposed to their creditors, including Rex, a non-judicial arrangement of their debts; and

WHEREAS, pursuant to their proposed non-judicial arrangement plan, the Lessees have offered to assist in returning the Equipment to Rex in exchange for a termination of the Lease and a release by Rex of all liability of the Lessees under the Lease; and

WHEREAS, a default by the Lessees under the Lease is

an event of default pursuant to the Agreement, subject to certain cure rights by Rex; and

WHEREAS, Rex desires that CLI refrain from declaring an event of default pursuant to the Agreement; and

WHEREAS, Rex desires to enter into a Lease Termination Agreement substantially in the form of Exhibit A hereto (the "Termination Agreement");

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration each to the other given, receipt whereof is hereby expressly acknowledged, it is agreed between the parties hereto as follows:

1. CIC consents to Rex entering into the Termination Agreement with the Lessees.

2. Notwithstanding CLI's consent contained herein, the parties hereto agree that the termination of the Lease shall constitute an event of default pursuant to the Agreement, at CLI's option, at any time after August 31, 1980, upon ten days written notice to Rex, unless Rex has obtained a lease or leases for the Equipment, with lessees acceptable to CLI, for terms acceptable to CLI and with rental payments aggregating an amount sufficient to make monthly principal and interest payments due on the Notes, and provided further that such new leases are assigned to CLI as collateral security for the Notes and that no such lessee is in default pursuant to such new lease.

3. To the extent that this Consent and Agreement contains terms that are inconsistent with the terms of the Agreement, the terms of this Consent and Agreement shall control, and this Consent and Agreement shall modify and amend the Agreement.

4. Rex agrees that at the request of CLI, it shall take such action and make such filings, with the Interstate Commerce Commission or otherwise, in order to preserve and protect the rights of CLI hereunder and under the Agreement.

5. This Consent and Agreement shall be binding upon and inure to the benefit of CLI, Rex, their respective administrators, assigns, successors, officers, directors, trustees, agents and/or representatives.

6. This Consent and Agreement may not be changed, amended, modified, or altered except in writing, executed by the parties hereto.

7. This Consent and Agreement may be executed by the parties in counterpart originals with the same force and effect as if fully and simultaneously executed in a single original document.

IN WITNESS WHEREOF, the parties have duly executed this instrument this 9th day of May, 1980.

CITICORP LEASING, INC.

By John C. Catton

REX RAILWAYS, INC.

By Frank G. Salter, Ex. V.P.

Acknowledged, Agreed and Consented
to by Guarantor

REX NORECO, INC.

By Frank G. Salter, Pres.

CITICORP LEASING, INC.

EXHIBIT C

A subsidiary of
CITICORP

August 18, 1980

Rex Railways, Inc.
616 Palisade Avenue
Englewood Cliffs, New Jersey 07632

Re: Consent and Agreement dated as of
May 9, 1980 (the "Consent and
Agreement")

Gentlemen:

Reference is made to Paragraph 2 of the Consent and Agreement whereby, inter alia, we agreed that the termination of a certain lease between you and National Railways Utilization Corporation would not constitute an event of default pursuant to the Security Agreement, Chattel Mortgage and Assignment of Lease Agreement between us dated as of September 27, 1977, (the "Agreement") prior to August 31, 1980.

This letter will serve to amend Paragraph 2 of the Consent and Agreement by deleting therefrom the words "August 31, 1980" and inserting in lieu thereof the words "September 30, 1980".

Please indicate your agreement below and return a signed copy of this letter to us. This amendment shall not be effective until you and Rex Noreco, Inc. have executed the acknowledgement below.

Very truly yours,

CITICORP LEASING, INC.

By John Catherwood

John Catherwood, VP

ACKNOWLEDGED, AGREED
AND CONSENTED TO:

REX RAILWAYS, INC.

By John L. Sullivan, Esq.

REX NORECO, INC. (Guarantor)

By Charles L. Sullivan, Pres.

EXHIBIT C

A subsidiary of
CITICORP

September 22, 1980

Rex Railways, Inc.
616 Palisade Avenue
Englewood Cliffs, New Jersey 07632

RE: Consent and Agreement dated as
of May 9, 1980 (the "Consent
and Agreement")

Gentlemen:

Reference is made to Paragraph 2 of the Consent and Agreement whereby, inter alia, we agreed that the termination of a certain lease between you and National Railways Utilization Corporation would not constitute an event of default pursuant to the Security Agreement, Chattel Mortgage and Assignment of Lease Agreement between us dated as of September 27, 1977, (the "Agreement") prior to August 31, 1980.

By letter amendment dated August 18, 1980, the event of default date referred to above was amended to be September 30, 1980.

This letter will serve to further amend Paragraph 2 of the Consent and Agreement by deleting therefrom the words "September 30, 1980" and inserting in lieu thereof the words "October 31, 1980."

Please indicate your agreement below and return a signed copy of this letter to us. This amendment shall not be effective until you and Rex Noreco, Inc. have executed the acknowledgement below.

Very truly yours,

CITICORP LEASING, INC.

By

John Catherwood
John Catherwood, VP

ACKNOWLEDGED, AGREED
AND CONSENTED TO:

REX RAILWAYS, INC.

Franklin J. ...

REX NORECO, INC. (Guarantor)

By *Franklin J. ...*